

Blame spreads in swap

By Nicholas M. Horrock
Chicago Tribune

WASHINGTON—The Reagan administration did not calculate that the Soviet Union would retaliate for the arrest of a Soviet physicist on espionage charges by imprisoning an American journalist, administration officials privately admit, and the case "unexpectedly" has threatened a major rupture in superpower relations.

Washington was aflood by the weekend with finger-pointing as different officials and agencies accused one another of mishandling the affair.

The "miscalculation," said one official who asked not to be identified, compelled the administration to enter the arrangement announced Friday in which reporter Nicholas Daniloff and physicist Gennady Zakharov were released from prison to the custody of their respective ambassadors.

When the deal was announced, President Reagan was immediately criticized for abandoning his "no trade" stance and giving the Soviet spying suspect parity in world public opinion with Daniloff, who Reagan has insisted is an innocent journalist who was doing his job.

Administration aides now say the action was taken to try to stop the relatively minor incidents from derailing the hopes for a substantive arms-control agreement and a summit meeting.

But, these officials said, the President's maneuvering room was severely hampered long before Daniloff's detention because of "miscalculations" in the decision to arrest Zakharov during such a sensitive period.

According to Justice Department officials, the U.S. intelligence community, which includes the CIA, as

well as officials at the State Department, the White House and range of defense agencies knew for many months that the FBI was on the track of a Soviet KGB agent using a United Nations job as a cover.

Several weeks before Zakharov's arrest on Aug. 23, the Justice Department notified the legal office of the State Department, the CIA, the National Security Council at the White House and the U.S. Embassy in Moscow that it anticipated charging a Soviet citizen with espionage.

Not one of those agencies warned the Justice Department or the FBI that such an arrest at that time might endanger the delicate negotiations on the summit meeting, Justice officials said.

But it was August and most of Washington's senior officials had dispersed for vacations. Reagan and several of his senior staff members were in Santa Barbara, Calif., and other officials were at their own vacation sites.

The warning that Zakharov's arrest was coming was specifically forwarded to the embassy in Moscow so it could be ready to deal with any retaliatory move.

In the last such case, when the U.S. arrested and prosecuted two Soviet UN employees in 1978, Moscow was swift and devastating in its retaliation. A U.S. businessman was arrested, convicted of currency manipulation and deported.

The Soviets also detained a U.S. vice consul who had diplomatic immunity, Martha Peterson, after she allegedly left gold, ampuls of poison and other spying paraphernalia at a pick-up place for Soviet citizens presumably spying for the U.S.

Soviet newspapers claimed she supplied poison that had killed a Soviet citizen.

Before she was released, the KGB took the extraordinary action of compelling her and another U.S. Embassy official to be photographed in an interrogation room with the spying paraphernalia before them. The Carter administration never formally denied that Peterson might be spying.

Middle-level intelligence and law enforcement officials who asked not to be identified said they have no evidence that Zakharov's arrest was approved by Reagan or any other top official outside the Justice Department and the FBI.

Yet on Sept. 3, White House spokesman Larry Speakes said Zakharov's arrest had been "approved by the administration, concurred into by all appropriate agencies of the administration." Asked whether Reagan agreed with the decision, Speakes said: "Certainly the White House concurred in it, and the President was aware of the concurrence in the White House."

But Friday, after the Daniloff and Zakharov releases were announced, Donald Regan, the President's chief of staff, told reporters: "We don't go around approving what the FBI and the court system do. . . . The White House hasn't anything to do with spies and catching spies. That's not our job."

Secretary of State George Shultz also said there had been no specific approval of Zakharov's arrest and imprisonment. "The details of what the FBI does in the arrest of a particular individual is typically not racketed through—every time they

do something—the entire hierarchy of the government. The fact of the matter is that our policy is well established, that if we catch somebody spying we apprehend them and act on it."

Shultz claimed that it wasn't even important that an arrest like Zakharov's be approved at the highest level. "No. It's important that we conduct our business in a strong way, piece by piece, and if somebody is spying and caught spying, he's going to be apprehended whether it's good for the summit or not good for the summit. That's not relevant. We have to carry these things on that way."

But according to well-placed Justice Department officials, senior State Department officials angrily criticized the Zakharov arrest—not at first but eight days later, the day after the arrest of Daniloff, who

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works for U.S. News & World Report.

"No one had taken into account that the retaliation might be against a prominent journalist with a major news organization," one official said. Another said the idea that the Soviets would seize a journalist didn't occur to them. They thought that possibly the Soviets might order a U.S. government official out of the country as *persona non grata*, the only step available if an American has diplomatic immunity.

Moreover, if Shultz is correct that U.S. arrests of Soviet citizens for espionage are not approved at the highest levels, it means the Reagan administration has departed from the practice of the last four decades. The 1978 arrests, for instance, were personally approved by President Jimmy Carter over vigorous objections of CIA Director Stansfield Turner and the State Department. Turner was worried that CIA agents would be compromised and State was worried that detente would be harmed.

The pair arrested in 1978, moreover, were the first Soviet citizens to be prosecuted by the U.S. in nearly a quarter of a century. The FBI was catching Soviet spies during that time, but both Republican and Democratic administrations believed it was more valuable to deal with spying secretly. Such a decision is almost always made at the highest levels.

Sometimes, for instance, the bureau never arrested a Soviet spy but simply tracked his movements and contacts. Sometimes it tried to feed him disinformation or turn him into a double agent after seizing him surreptitiously.

In other cases, disclosure or silence on a spy case has political motives. It has been widely accepted in U.S. circles that when Soviet leader Nikita Khrushchev revealed the U-2 flights and the seizing of pilot Gary Powers in 1960, his decision to go public was made with the intention of aborting a planned summit with President Dwight Eisenhower.